Developing Saskatchewan Business

Saskatchewan
Tourism and
Small Business

Saskatchewan
Economic
Development
and Trade

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THE DEPARTMENT OF ECONOMIC DEVELOPMENT AND TRADE

1. MANDATE

The mandate of the Department of Economic Development and Trade is to:

(a) develop and coordinate provincial government policies and major initiatives respecting economic development in the province;

(b) attract investment to Saskatchewan in sectors with a potential for growth (excluding tourism);

(c) increase export sales of Saskatchewan produced goods and services and to pay particular attention to benefits to Saskatchewan business from major new projects; and

(d) encourage the stability and growth of the manufacturing and processing sector in the province.

2. PROGRAM AND SERVICES

The Department will:

(a) make investors and prospect generators aware of Saskatchewan's advantages as a place to invest;

(b) identify and communicate investment possibilities to potential investors;

(c) provide individual investors approaching the Department with a range of services, including a research/information service, counselling, assistance and direction in working projects through the government system, support for requests for "special" government treatment when warranted, funding for market or feasibility studies, and assistance in locating financing;

(d) improve the general business environment as it relates to potential new investment;

(e) play an entrepreneurial role in matching opportunities with funds and technical capacities (ie. make deals).

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To increase sales of Saskatchewan goods and services from existing businesses, the Department will focus on opportunities in export markets. To expand exports, the Department will:

(a) increase exports from existing companies by providing the exporters or potential exporter with research/ information, market analysis, counselling, leads, financing, publications and special advocacy services if an exporter encounters a problem with a government or other institution.

(b) increase the number of exporters by making Saskatchewan companies aware of the importance of and benefits from exporting.

(c) improve the environment in which exporting is carried out.

(d) improve export services provided by industrial associations.

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THE DEPARTMENT OF TOURISM AND SMALL BUSINESS

1. MANDATE

The mandate of the Department of Tourism and Small Business is:

(a) to encourage and support the stability and growth of the private sector in Saskatchewan;

(b) to decrease the balance of payments deficit attributed to the travel industry.

(c) to ensure that a mechanism is available for the needs and interests of tourism and small business to be communicated to the provincial government and that government policies and programs are clearly communicated to the business community.

2. OBJECTIVES

The mandate of the Department of Tourism and Small Business is more clearly represented in a number of objectives pertaining to the priority for strengthening the private sector's role in planning and developing Saskatchewan's economy.

"Tourism" Objectives are:

(a) to provide the travel industry and consumer with a positive image of the Province as a desirable vacation destination;

(b) to support private sector marketing and development initiatives;

(c) to ensure that a good quality, competitive Saskatchewan vacation product is available for sale in the marketplace;

(d) to ensure that adequate data exists which will improve decision-making in marketing and tourism development;

(e) to upgrade the level of service and management/ employee attitude within the hospitality industry.

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"Small Business" Objectives are:

(a) to ensure that concerns of small business are identified and acted upon by government;

(b) to provide research data and information pertinent to small business development;

(c) to ensure that small businesses have access to management expertise and other resources required to maximize their potential;

(d) to contribute to creation of a favourable environment which will ensure the maintenance, growth and diversification of business in small communities;

(e) to ensure that idigenous firms have equal opportunities to participate in the business of the Province;

(f) to increase sales of Saskatchewan goods and services within the Province with emphasis on the public sector market, markets related to major projects, and consumer markets currently provided through imports;

(g) to support economic development at the community level.

3. PROGRAMS AND SERVICES - BUSINESS

Combining tourism and small business responsibilities under the new Department, along with the creation of a positive business climate in the province, has provided an opportunity for the development of programs and activities which will enhance the private sector.

The nature of government programming for small business concentrated on providing financial assistance under a number of grant programs in Industry and Commerce, rather than addressing the real needs and problems of business.

The majority of these grant programs were terminated during the 1982-83 fiscal year and they are now in various stages of being phased out.

Details of new programs and initiatives which will address main concerns of the business community are:

(a) SMALL BUSINESS EMPLOYMENT PROGRAM: In recognition of the important role small business plays in the provincial economy, the program was initiated to create jobs in the small business sector. Refundable tax credits are provided for additional jobs created for at least 12 continuous months. The program has been most successful with 3600 new permanent jobs at the end of enrolment period August 31, 1983, at an estimated cost of $17 million.

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(b) MANAGEMENT DEVELOPMENT PROGRAM: The department will be involved in the delivery of a range of services and programs to encourage the improvement of management expertise in the small business sector.

(i) Business Information Service: The department plans to develop a comprehensive business data base which will be augmented by a range of published material. This information would also be available to all eight regional offices which will house business resource centres. Business people will be invited to utilize this information and will be assisted by professional staff in interpretation and use.

(ii) The Department will have Professional Services representatives located in the regional offices. They will provide a high-profile link with business organizations in their respective areas. They will also provide business planning and advisory services to the business people in their region and will manage the services provided by the business resource centres.

(iii) The Department has a Management Development Service which was designed to provide management seminars or to assist firms to send management personnel on specialized courses. This program has been directed at manufacturers and processors in the province and will be broadened to develop local management training resources.

(iv) Management Assistance Services: A new program designed to help develop management skills required to operate businesses. The Department will work with local Chambers of Commerce to identify small businesses in the community which desire professional consulting services. The businesses would pay a small fee to be used for seminars. The Department would hire teams of consultants with specific expertise to meet the needs of the businesses.

Plans are to operate two sets of programs each year with 10 communities involved in each set. Each community Chamber of Commerce would help to identify 20 businesses for the program. This would mean at least 400 Saskatchewan small businesses would receive professional consulting services each year.

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Currently, the Department has initiated the program in 3 communities: Estevan, Nipawin and North Battleford and is expected to operate in 10 communities in early 1984.

Management Assistance Services will:

provide professional services to small businesses who may not normally seek assistance, cannot normally afford it or do not know where to look for it.

develop a core of private sector consultants who can address the special needs of small business. This capability is not currently available to the degree required.

provide the Chambers of Commerce with a vehicle whereby they can strengthen their profile in the community.

allow the Department to provide professional private sector management training to small businesses.

The regional representatives will play significant roles in working with the Chambers in developing local interest in this service.

(c) COMMUNITY ECONOMIC DEVELOPMENT PROGRAM: Objective of the program is to help small centres with a population of 700 to 5,000 to undertake a co-ordinated approach to economic development by the effective use of organized community groups. The program has operated as a pilot project in 11 Saskatchewan communities. Plans are to expand the program to 20 communities each year. The program provides organization assistance, training, professional advice, and a small amount of financial assistance for developing community profiles and marketing. While this program will only be available to a specific number of new communities each year, departmental staff and resources are available to a limited degree to any community seeking assistance.

(d) PRODUCT DEVELOPMENT PROGRAM: The Department continues services for new product development. It provides funds to the Saskatchewan Research Council which gives technical expertise to assist small business to develop new products.

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(e) SASKATCHEWAN MARKETING SERVICES PROGRAM: To provide services related to the expansion of markets for Saskatchewan businesses selling to new major projects, the public sector and in other areas where local marketing can be improved.

This program will:

- provide information on Saskatchewan goods, services and companies.
- assist marketing efforts of Saskatchewan suppliers toward major projects, the public sector and other local markets through identification of sales opportunities, provision of information and counselling on marketing techniques and organizing consortia.
- co-ordination of function-related sectors of business.

Specific services or activites include:

- Saskatchewan Content Advocacy Service
- Company Profiling Service
- Sales Opportunity Identification Service
- Procurement Information and Counselling Service
- Consortia Organization Service
- Sectoral Co-ordination

(f) EQUITY PROGRAM: A review of financial needs of Saskatchewan's business community is being undertaken.

The Department is currently identifying methods to encourage placement of Saskatchewan investment funds in Saskatchewan businesses.

4. PROGRAMS AND SERVICES - TOURISM

The relevance of a new department of Tourism and Small Business for the tourism industry in Saskatchewan is significant. This is an area of business that is, to a large extent, a collection of large and small businesses. The economic impact of tourism is substantial, but the province carries a large and growing travel deficit and has not seriously attempted to improve its image as a travel destination.

The new Department will be making a concentrated effort to ensure that the overall government economic development strategy is applied to the tourism industry, encouraging and assisting the private sector to play the lead role in the development of the industry.

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A co-ordinated approach to the industry in creating a favourable environment, establishing areas of assistance to encourage private sector investment in infrastructure, plant and marketing, and encouraging co-operation at all levels of government are important elements in the development of this industry.

Detailed descriptions of programs and services initially available to the industry are as follows: (these descriptions include some programs in the planning stages)

(a) TOURISM DEVELOPMENT PROGRAM: The industry in the Province is not being developed to its full potential at the present time. In order to achieve maximum benefits from tourism, it is necessary to stimulate private sector development of tourism-related facilities, services and attractions in Saskatchewan and ensure that such development is supported through adequate marketing and planning activities.

The following programs are designed to achieve both tourism development and marketing objectives:

(i) Tourism Data Base: The Department requires a capability for research and analysis. Leaders in the tourist industry and small business identify the single most important contribution that can be made by the Provincial Government is the provision of accurate and timely data upon which intelligent investment decisions can be made.

Studies can go a long way toward establishing an information base upon which the private sector can make decisions.

Also, new marketing initiatives will generate additional tourist spending that will improve the economic viability of existing facilities, as well as create a demand for new investment opportunities thus effectively fulfilling the province's tourism and recreational potential.

The Department is undertaking a number of tourism-related studies which will provide basic information for the private sector, including market surveys, analysis of major events, an occupancy study and a resident household survey to determine the travel patterns and preferences of residents.

(ii) Tourism Strategy Program: There has been very little planning undertaken in the past to guide the development of Saskatchewan's tourism industry. A comprehensive tourism strategy or "action plan" for tourism is currently being

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prepared. The strategy will identify major constraints and opportunities which will guide long-term tourism development in the Province.

(iii) Marketing Assistance Program: This program will support, on a cost-shared basis, marketing initiatives undertaken by non-profit tourism associations and organizations.
The objective is to increase tourism visitations both within and to the province by both leisure and business travellers.
Assistance up to 50 percent of total costs of new initiatives is available for such items as promotional materials, advertising, consultants services, and distribution.
Recognizing that the greatest impact on tourism comes from the private sector the department is planning a number of initiatives that will strengthen the private sector's role in tourism development and marketing.
Organizations such as Chambers of Commerce, Boards of Trade, Convention Bureaus and tourism, recreation, cultural, or fraternal organizations may be eligible for assistance.

(iv) Tourism Awareness Program: The level of awareness of tourism's potential at the community level is low. This program will create awareness of existing tourism opportunities, identify potential development and support tourism planning at the community level in Saskatchewan.

(v) Information Centres: The image of Saskatchewan as a desirable destination is not being promoted effectively through existing government visitor information centres. Centres are either unappealing or poorly located. Construction of new, strategically located information centres will encourage visitors to stay longer in the Province producing increased economic benefits.

The Department is also planning a program to support the construction or upgrading of community information centres. This program will help promote community tourism with added economic benefits at the community and regional level.

(vi) Hospitality Training Program: This program will improve the skills and attitudes necessary in the service sector to provide a higher level of customer satisfaction and service.

(vii) Industry Co-ordination: The Department will continue its activities to assist the co-ordination of the provincial tourism industry in areas of upgrading, professional standards, planning, marketing and operations.

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(viii) Federal/Provincial Co-operation: The Department will continue to expand co-operative development and marketing opportunities with other provinces and the federal government including the implementation of a Saskatchewan/Canada cost-shared initiatives for tourism program.

(ix) Tourism Marketing: The tourism marketing activities of the Department are being expanded to increase the demand for existing Saskatchewan tourism products and to support new development of tourism facilities, services and attractions.

Special emphasis is being placed on creating a better awareness of the province as a travel destination in major Canadian, U.S. and overseas markets.

5. ADVOCACY ROLE OF TOURISM AND SMALL BUSINESS

The Department will view as its responsibility, the gathering and dissemination of input from the private sector in the province. In this sense it will become the "business advocate" on behalf of the government. It will have the capacity to deal with the legitimate concerns of the business community as they relate to government policies and programs. In addition, the department will be in a position to provide the business community with the government's rationale for its actions.

(a) The Department will be establishing working relationships with the existing Chambers of Commerce and the large number of tourism-related organizations.

(b) The Department will be meeting regularly with major business associations to discuss programs and government policies with respect to priority interests.

(c) Representatives from the Department will be dealing directly with individual businesses and communities to provide a wide range of services to assist in strengthening the business community.

(d) The Department will liaise on a continual basis with other government departments and agencies with respect to issues of importance to the business and tourism community, to have input into government policy affecting the business community and to obtain information for provision to the business community.

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(e) Department's consultative approach will also benefit from:

(i) Minister's meetings with business groups
(ii) MLAs contacts with business community and then reports on issues
(iii) Senior officials' meeting with business groups on an ad hoc basis.

6. OTHER SERVICES OF TOURISM AND SMALL BUSINESS

(a) Research and Analysis: The Department will have a professional research and analytic capability. This is needed to provide input to policy and program development in the Department, as well as in other government departments and agencies. This input will recognize the sensitivities of the private sector and the complexities of government policy.

(b) Project Co-ordination: The Department will be the "lead" agency in representing and expediting development projects by the private sector including development of tourism facilities, attractions and services on Crown land and within Provincial Parks.

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Tourism and Small Business

RESOURCE CENTRES

The Department has professional staff located in eight centres to provide a link with the business community. The regional offices provide business planning, advisory services and program information.

At this time the Department has business representatives in the following locations:

ESTEVAN Ph: 634-6474
1219 - 5th Street
Estevan S4A 0Z5

MOOSE JAW Ph: 692-1876
217 - 110 Ominica Street W.
Moose Jaw S6H 6V2

NORTH BATTLEFORD Ph: 445-4424
Room 326
1146 - 102nd Street
North Battleford S9A 1E9

PRINCE ALBERT Ph: 922-2275
11th Floor, McIntosh Mall
800 Central Avenue
Prince Albert S6V 6G1

REGINA Ph: 565-2207
3rd Floor, Sask Tel Building
2121 Saskatchewan Drive
Regina S4P 3V7

SASKATOON Ph: 664-5750
Saskatoon Square
410 - 22nd Street E.
Saskatoon S7K 5T6

SWIFT CURRENT Ph: 772-7283
350 Cheadle Street W.
Swift Current S9H 4G3

TISDALE Ph: 873-2663
P.O. Box 879
S.G.I. Building
Tisdale S0E 1T0

YORKTON Ph: 783-9747
72 Smith Street E.
Yorkton S3N 2Y4

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"DEVELOPING SASKATCHEWAN BUSINESS"

The Government of Saskatchewan, in preparing its economic strategy, has stated that the private sector will be the focal point in maintaining and developing the economy of the province.

The initial phase undertaken by government in this approach has been to create a positive business climate within the Province and to encourage private sector confidence and stability.

Despite current national economic conditions and slow recovery from the recession, production in Saskatchewan fell by only 1.1 per cent as compared to the 4.6 per cent national average in 1982. Forecasts indicate that Saskatchewan will exceed the national growth rate in 1983 and 1984. This stability in Saskatchewan's economy is attributed in part to the realization that Government is achieving its objective of supporting private industry's role in economic recovery, stability and growth.

To further support the leading economic role of the private sector, the Saskatchewan Government has taken a number of significant steps to accomplish provincial economic objectives.

These measures include an extensive review of regulations, legislation and policy affecting business in the Province. To date, approximately 700 regulations have been removed including major amendments to the petroleum royalty structure, greater private sector representation on public boards and crown corporations has taken place, as well as implementation of the Small Business Employment Program for permanent job creation.

A recent announcement by Tourism and Small Business has established a policy in which crown land will be made available for tourism development and will encourage private sector investment in Provincial Parks. Regulatory reform and provision of legislative assistance, which will support business development in the Province, will be an ongoing process.

To further support the early initiatives of economic stimulation and support of the private sector's role in the Provincial economy, the business and economic programs of government have been consolidated within two departments: "The Department of Economic Development and Trade" and "The Department of Tourism and Small Business".

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The Department of Tourism and Small Business includes the function formerly contained in the former Department of Tourism and Renewable Resources and the transfer of several business-related programs from the former Department of Industry and Commerce.

The remaining programs of Industry and Commerce now constitute the Department of Economic Development and Trade.

As the principal supporting government agencies for economic development, both the "Department of Tourism and Small Business" and the "Department of Economic Development and Trade" have been mandated to establish a Department role of support, planning and development of sound policy to the private sector.

The principal objective for the establishment of two government structures concerned solely with economic matters is to facilitate and support business and industrial development in order to increase the economic prosperity of Saskatchewan residents.

This objective will be achieved by:

(a) promoting private investment in the establishment and expansion of production facilities and stimulating productivity, competitiveness and the innovative capability of business enterprises.

(b) facilitating the identification, development and expansion of domestic and international market opportunities.

(c) encouraging and supporting investments to achieve industrial expansion, restructuring and renewal for firms and communities requiring special economic adjustment measures.

(d) fostering an environment supportive of innovation, research and development, entrepreneurship, investment, economic growth and the creation of rewarding jobs.

(e) increasing the private sector's role in decisions, policy formation, and delivery of policies and programs in relation to business development, tourism and economic development.

(f) enhancing the tourism industry by increasing Saskatchewan's share of the leisure and business travel market and facilitating the development of a competitive tourism plant.

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The co-ordination responsibilities for economic development policy and major development initiatives will be facilitated by a "Cabinet Committee on Economic Development" as well as a "Sub-Committee on Economic Development" chaired by Economic Development and Trade.

To avoid overlap in delivery of programs and services, the two departments will share central services and administration for the provision of business information to the public.

Economic Development and Trade is responsible for business contacts outside the province, with Tourism and Small Business responsible for the local business community.

Exceptions:

1. Economic Development and Trade will have the responsibility for policy development with respect to economic development in the province. Tourism and Small Business, as well as other relevant departments, agencies, crown corporations and the Crown Management Board will participate in developing policy positions.

2. Economic Development and Trade will be responsible for the co-ordination of major project developments in the Province and ensure that relevant input is made by other agencies.

3. Economic Development and Trade will be responsible for the development of the manufacturing and processing sectors of the economy. These sectors are the major targets for the attraction of investment and have the greatest potential for export. Tourism and Small Business will provide general advisory and other services to these sectors.

4. Tourism and Small Business will be responsible for all in and out-of-province marketing and capital development activities associated with Tourism.

The mandates of the two departments reflect the priority of providing Saskatchewan's economic and business community with a capacity to deal with all economic, business and tourism activity.

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ACHIEVEMENTS TO DATE

As part of the Provincial Economic Development Strategy, a number of initiatives have been introduced in:

Legislation

Organization

Regulation

Administration

Legislation

- Amendments to The Trade Union Act intended to clarify the roles and responsibilities of labour and management in the collective agreement process;

- major review of The Labour Standards Act, The Planning and Development Act, The Vehicles Act, and The Saskatchewan Securities Act, to name just a few.

Organization

- A major reorganization of the government structure intended to make it more responsive to various client groups it serves.

- creation of new Departments of Economic Development and Trade and Tourism and Small Business;

- creation of a new Department of Advanced Education and Manpower with the stated mandate to ensure that the economy's need for an ample, skilled labour force is met;

- amalgamation of other agencies to increase efficiency and to eliminate overlap;

- announcement of a new Department of Science and Technology.

Regulation

- Establishment of a formal regulatory review group within the government;

- to date, abolition of upwards of 700 regulations which affect the day-to-day activities of individuals and business alike;

- 150 ongoing regulatory reform projects involving all government departments.

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Administration

- abolition of the retail sales tax on gasoline;

- divestiture of the government's interests in several companies, including Agra Industries Limited and Intercontinental Packers Limited.

- major amendment to the petroleum royalty structure which has resulted in major crown lease sales and a near-record level of drilling in 1983.

- establishment of a Public Utilities Review Commission designed to seek and receive input from individuals and the business community in the setting of Crown Utility rates;

- reorganization of the Crown Corporation structures, seeking greater private representation on the Board of Directors and limiting growth;

- changes to permit the private sale of telephones and telecommunications equipment;

- reorientation of the Department of Environment designed to make it more responsive to the needs of project developers seeking environmental approvals and permits for major developments;

- Small Business Employment Program, initiated to create jobs in the small business sector. The program, which ran from April to August of this year, created 3,600 new permanent jobs.

- Development Policy for Crown Land. To enable private developers to construct tourism destination facilities on crown lands consistent with the overall tourism development strategy of the province. This process encourages and supports planned tourism development with Tourism and Small Business acting as lead agency and facilitator for development.

- The agreement to construct a 50 thousand barrels per day heavy oil upgrader in conjunction with the Co-op refinery in Regina will represent a direct investment of approximately $600 million when completed.
  This development is a further indication that economic development opportunities exist in Saskatchewan.
  More than 2,500 person years of effort will be required to construct the facility with peak employment of 1,300 persons in 1986.
  Actual operation of the upgrader will provide almost 80 permanent jobs by 1987.
  Spin off will create additional jobs in other related industries.

POOR

QUALITY

ORIGINAL